

# Clarity.

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ArdaghGlassPackaging 

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# Driving sustainability at Ardagh for our environment, people, and communities

**Sustainability is at the heart of our business, it's our DNA.**

*Here Fikile Holomisa, AGP-Africa's Sustainability Executive, reports on the ways in which we're reducing emissions and waste, cleaning the air, and supporting recycling.*

Our sustainability actions are founded on the three pillars of our Sustainability Strategy:

This is underpinned by our belief that sustainability will contribute to our profitable growth, and by our alignment with the UN Global Compact.

Our emissions pillar is aligned to the Science Based Targets initiative (SBTi) and aims to reduce our absolute Scope 1 and 2 GHG emissions by 42% and absolute Scope 3 GHG emissions by 12.3% by 2030 from a 2020 base year.



**Minimise our greenhouse gas (GHG) emissions**



**Reduce our ecological impact**

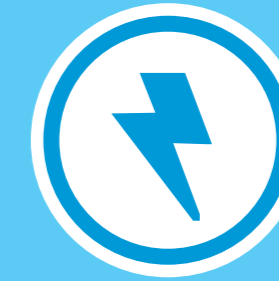


**Support our people and communities**



**Scope 1 emissions**

are those resulting from the fuel we burn and the raw materials we use in glass production



**Scope 2 emissions**

are those resulting from the electricity that we use for production processes



**Scope 3 emissions**

are those arising from upstream and downstream activities: packaging, raw materials and transportation





## Scope 1

Glass enables a circular economy as it can safely be reused and endlessly recycled. Ardagh glass uses over **30%** recycled glass in **flint** bottles and around **80%** in **green** bottles. Returnable glass containers can be refilled up to 30 times before needing to be recycled.

Glass recycling has already created around **50,000** income generating opportunities in South Africa, and we are embarking on a drive to expand and professionalise glass recycling through our [money4glass](#) initiative.

By replacing liquified petroleum gas (LPG) at our Bellville facility with liquified natural gas (LNG) we have achieved a reduction in greenhouse gas emissions of 1,250 tonnes CO<sub>2</sub>e in 2024.



## Scope 2

In South Africa we rely to a large extent on the national power producers' coal-derived electricity, and we are actively working to reduce that reliance. Our Nigel facility will shortly house our largest renewable project to date – a nearly 9 MWp solar PV array. We are investigating rooftop solar projects for other facilities and have ambitions based on initial proposals to achieve a total 25 MWp installed capacity. We are additionally negotiating 150,000 GWh per annum of wheeled renewable energy.

These projects, which include solar, wind and hydro power, are important to our energy transition strategy and will help us fulfil our goal of using only renewable electricity by 2030.



The installation of electrostatic precipitators (ESPs) across all our plants exemplifies our dedication to cleaner air.



Our Nigel facility will shortly house our largest renewable project to date



## Scope 3

Kwanza Sands Minerals, from which we source silica sand, has installed a plant allowing them to produce drained, as opposed to dried sand, reducing their use of oil for heating and thus emissions.

Our adoption of [Smart Trucks](#) in our fleet is expected to deliver a **37%** reduction in carbon emitted per pallet of transported glass shipped.



## A holistic approach to achieving sustainability goals

Following the N2 and N3 expansions, our Nigel facility is now the largest Ardagh Glass Packaging facility globally. The expansions incorporated what we consider to be best-in-class energy, water efficiency, and environmental innovations. These are important steps in our journey to decarbonise glass production, reduce emissions and provide our customers with packaging that supports real localised closed-loop recycling.

The installation of electrostatic precipitators (ESPs) across all our plants exemplifies our dedication to cleaner air. To date, we have invested around R500 million in ESPs, ensuring that our world-class facilities contribute to a healthier environment.

Our zero waste to landfill campaign, initially piloted at our Head Office, is part of a Group-wide strategy to minimise and, where allowable by regulation, ultimately eliminate operational waste being diverted to landfills across all our operations. The campaign will soon be expanded to our other Ardagh Glass Packaging-Africa facilities, in support of our target of zero waste to landfill by 2030.

We anticipate that the demand for low and zero-carbon glass from large clients in South Africa is going to steadily increase, and the costs imposed by governments to encourage decarbonisation are going to increase. Decarbonisation is not just an environmental, but a business imperative.



# Ardagh's NextGen Furnace

The NextGen Furnace is the world's first hybrid furnace for container glass packaging, built at the Ardagh Glass Packaging facility in Obernkirchen, Germany.

The ground-breaking furnace has successfully reduced the carbon footprint of container glass production with breakthrough hybrid melting technology. The furnace began commercial glass bottle production in October 2023, and has achieved a consistent **64% reduction in emissions per bottle.<sup>1</sup>**

This pioneering, large-scale hybrid furnace is the first of its kind to run predominantly on renewable electricity from solar installations in Germany, augmented by natural gas. This hybrid design significantly reduces carbon emissions – an important step in achieving the emissions target of Ardagh's 2030 Sustainability Strategy and a key milestone in our journey towards decarbonisation.

The NextGen Furnace project is supported by funding from Germany's Federal Ministry for Economic Affairs and Climate Action (BMWK) and the European Union.



## Impact

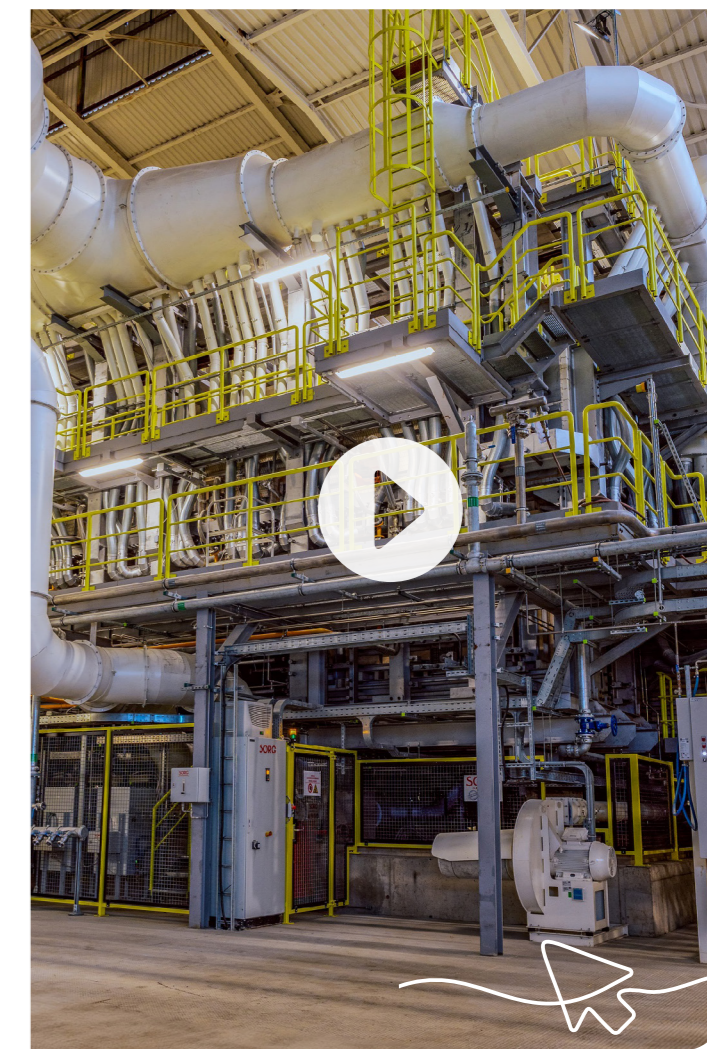
- The furnace (max capacity **350 tonnes per day**) has **achieved** commercial-scale production of up to **330 tonnes** per day
- Unlike other electric melting furnaces, the NextGen Furnace uses the same high levels of cullet as conventional furnaces
- The furnace produces **amber glass** – the most challenging colour to melt – with flint and green to be developed based on commercial demand
- Approximately **35,000 tonnes of CO<sub>2</sub>** have been saved in the first year of production<sup>2</sup>
- The furnace operates with an average of 60% electrical heating, resulting in a **64% reduction in emissions per bottle<sup>1</sup>**

<sup>1</sup> LCA calculation: January to June 2024  
<sup>2</sup> Scope 1 and 2 emissions

Tests are ongoing to explore the furnace behaviour and stability in the region of the 60% electrical heating level and above.

## Awards

- Edie Net Zero – Manufacturer of the Year award
- Packaging Europe Sustainability Awards – Climate award
- DENA German Energy Agency – Think Big! award





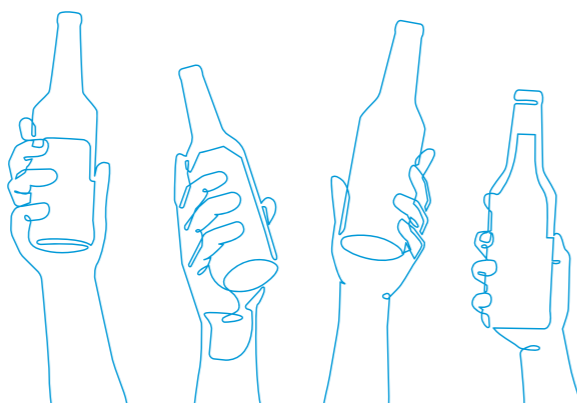
## Empowering recyclers with



AGP-South Africa has launched [money4glass](#), an easy, safe and fast way to buy and sell recycled glass.

Sustainability is a critical focus for Ardagh, and we are acutely aware of how important it is to drive increased recycling. [money4glass](#) is making the glass recycling process easier and safer, allowing recyclers to earn extra cash and enjoy other great benefits from glass recycling.

The initiative empowers all levels of recyclers across South Africa and is helping to divert glass from landfill to our glass recycling plants. This innovative programme, launched to drive growth in glass recycling, also helps to build a truly circular economy in South Africa.



Importantly, the platform empowers recycling value chain players, enables enterprise development, and strengthens efficiencies of waste collection networks, including informal collectors. All this drives economic empowerment and small business development.



### Impact

From July 2023 to December 2024, the amount of recycled glass collected through money4glass grew exponentially, from 42 tonnes to around

# 3,561 tonnes

In the same period, just over

# R1.8 million

in incentives was paid to waste pickers

The pool of waste pickers registered on the platform grew from 18 to

# 1,035



## Achieving new milestones in glass recycling

Significant progress has been made in glass recycling in South Africa. AGP-South Africa's total cullet usage rate rose from 42.2% in 2023 to an average of **48.3%** in 2024. In 2024, AGP-South Africa collected **44,304** tonnes (15%) more post-consumer cullet than in 2023.

Notably, several furnaces of AGP-Africa's operations **exceeded 90%** cullet for the first time. Cullet use varies across the various colour ranges, with flint reaching 30%, amber at 63% and green setting a record high for our AGP-Africa operations with around **80%** cullet content.





# Innovative Smart Trucks added to AGP-South Africa's delivery fleet

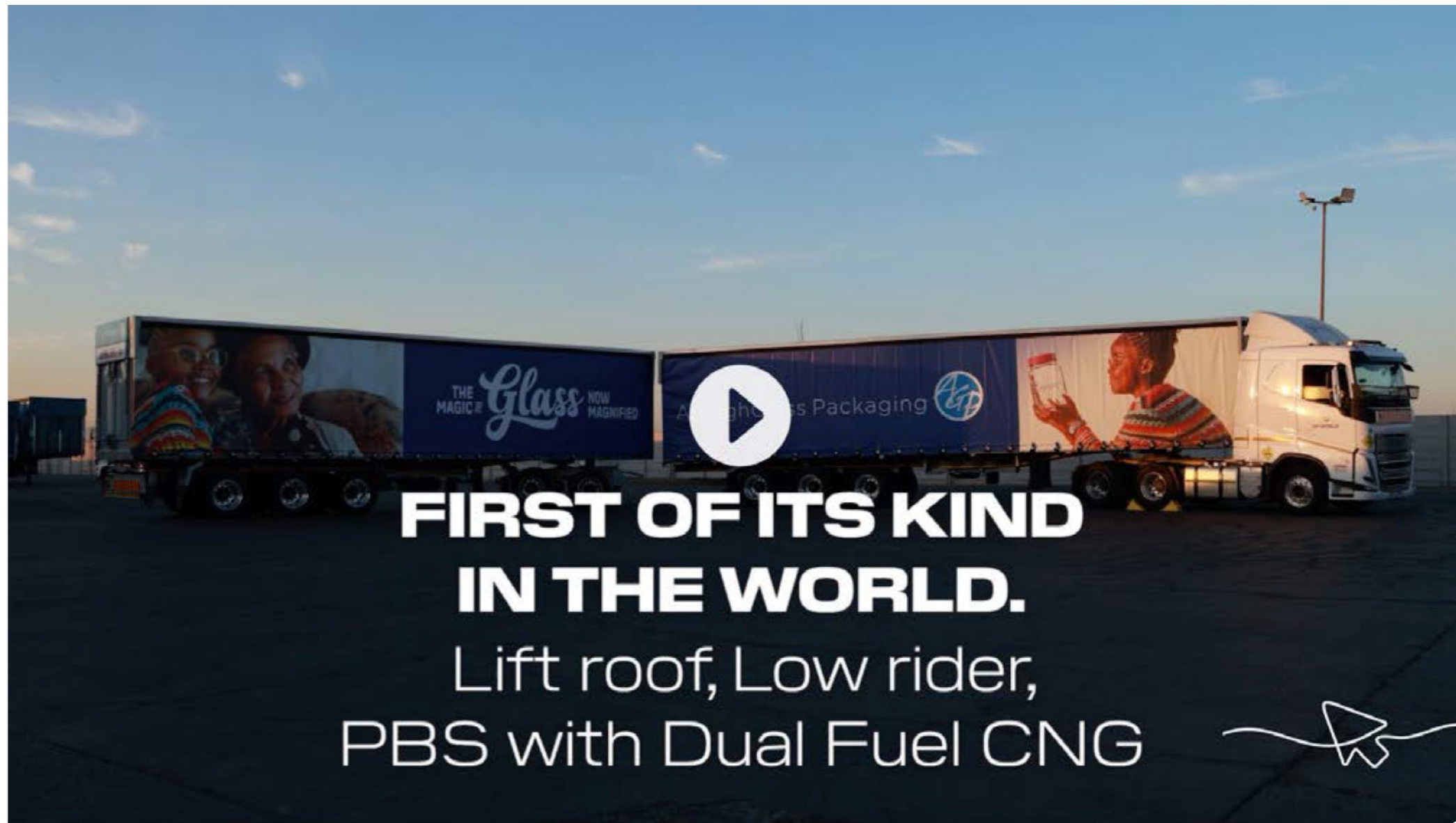
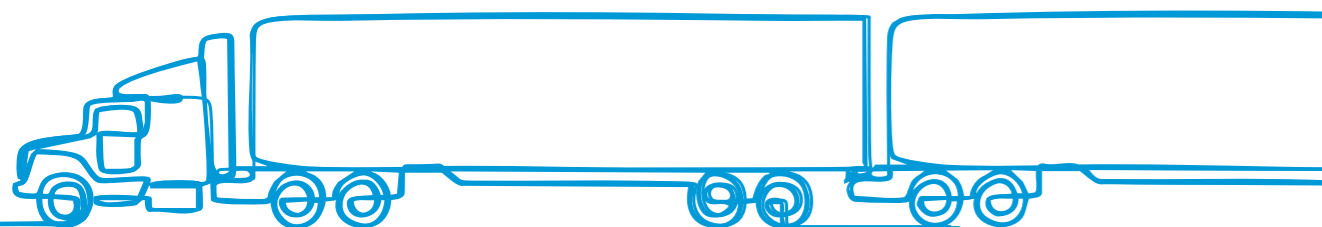
AGP-South Africa, alongside our logistics partner DP World, have added five advanced Performance-Based Standards vehicles - commonly known as "Smart Trucks" - to our fleet.

Thanks to their innovative designs, Smart Trucks are more productive, more efficient, and less impactful on road infrastructure than standard trucks.

- Self-weighing functionality
- Adaptive cruise control
- Dynamic and corrective steering systems
- Driver-alert support
- Lane-departure warnings
- Lane-change support


They are also much safer. Trailers are fitted with:

- EBS brakes
- Auto-inflating tyres






Smart Trucks:

 Can carry **100 pallets**, 28 more than our existing fleets

 Boast a **55-tonne payload**, and an overall laden length of **30m**

 Are equipped with **advanced dual-fuel engines** that use both diesel and compressed natural gas

 Cause, on average, **50% less road wear per tonne of payload\***

 Are expected to deliver a **37% reduction in carbon emitted per pallet shipped\***

\* Logistics partner's analysis



We estimate that the addition of these Smart Trucks to the Ardagh fleet will result in **1.7 million** kilometres of travel and **1,765 tonnes** of CO<sub>2</sub> saved over the next six years. This supports our efforts to reduce Emissions – one of our three sustainability pillars, alongside Ecology and Social.

The vehicles have been decked out with new AGP-Africa branding featuring Zinzi holding the iconic Consol preserve jar, in a throwback to our Best Liked TV commercial of 2016. So be on the lookout for the vehicles, and give our drivers a wave!



## Will wine in glass bottles stand the test of time?

Wine bottles have a distinct character conveyed through their shape, colour, and closure, which are essential elements of a brand's identity that affect the perception and premiumisation of the product.

Since the 17th century, glass has been synonymous with pride, tradition, and quality, but with the advent of new packaging options, it raises the question of whether glass will remain the best choice.

In a Q&A hosted by [Friends of Glass](#), wine experts Simon Lawson (Managing Director at Casella Family Brands, Europe) and Jamie Goode (wine columnist at The Sunday Express, lecturer, and book author) discussed the heritage and culture linking wine and glass.

"The packaging is part of the experience of wine," Goode said, "and it controls the expectations people have when they approach wine."

We know that perception – the actual flavour we experience – is strongly marked by things intrinsic to the wine itself, like the drinking occasion and the packaging. When used together with a suitable closure, the glass bottle is ideally suited to wine, and gives it the respect it deserves."

It is common knowledge that wine gets better with age, but in order for it to age gracefully, it must be packaged in glass. Glass packaging is essential for wine aging gracefully, as it preserves the wine's integrity for years or even decades. Overall, brands, connoisseurs, and consumers agree that glass remains the preferred packaging for wine.



## Ardagh is a proud sponsor of the South Africa Wine Summit

We're immensely proud to be a trusted part of the South African wine industry, and to be associated with world-class South African wine. We're dedicated to advancing world-class technology and sustainable manufacturing practices to support South Africa's position amongst the top tier of wine producers globally.



As such, we're proud and grateful to be a co-sponsor of this year's South Africa Wine Summit; the pre-eminent event of its kind. By supplying world-class glass bottles to our world-class winemakers, we have an exceptional opportunity to establish a continuous sand-to-sip wine value chain that is proudly local, supporting and expanding South African agriculture, manufacturing and employment.



# Nurturing next-gen rugby stars

On 5 February, AGP-South Africa facilitated a rugby clinic in Cape Town, hosted by Ardagh's Ambassador Damian Willemse and Irish former professional rugby union player Johnny Sexton, for under-13 boys from Somerset West Primary, Somerset West Methodist Primary and Vusa Rugby and Learning Academy in Langa.

Ardagh's support for South African rugby allows us to connect with the communities in which our facilities are situated, and speaks to our Core Values of Inclusion, Teamwork, Excellence and Trust.

AGP-South Africa is part of the Red Disa Consortium, which owns a majority interest in Western Province Professional Rugby (Pty) Ltd (WPPR), owner of the DHL Stormers professional rugby union team in Cape Town.

The Stormers have a proud history in South African and international club rugby, but have also remained a true community club, focusing on the identification, development, and retention of local talent.

This focus on community development, which is complementary to our educational and other initiatives that are focused on growth and development in South Africa, help us to deliver on our Purpose: "We make packaging for good".





## Click & Collect makes retail shopping even more convenient

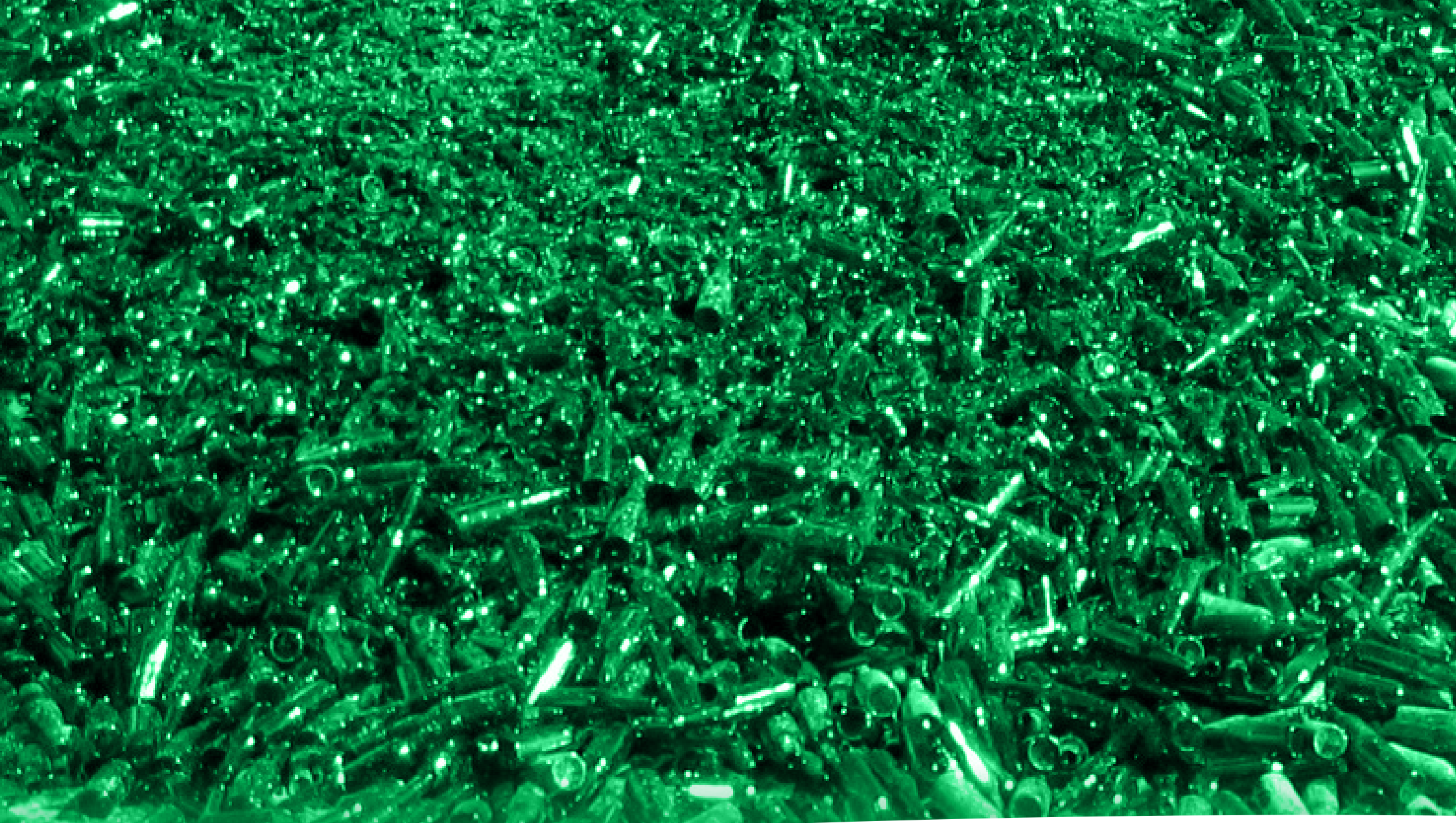
After introducing online shopping to our Consol Shops in 2021, we've taken it a step further – bringing the further convenience of "Click & Collect" to all three locations (Woodmead, Cornubia and Stellenbosch). This service has been embraced by our SME and family customers, and we're thrilled to see it growing.

The *Consol*  
Shop



# SHOP AT YOUR CONVENIENCE





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